

Executive Summary – Enforcement Matter – Case No. 49046
ConocoPhillips Company
RN102495884
Docket No. 2014-1119-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Borger Refinery, State Spur 119 North, Borger, Hutchinson County

Type of Operation:

Petroleum refinery

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2014-1204-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: February 20, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$13,600

Amount Deferred for Expedited Settlement: \$2,720

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$5,440

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$5,440

Name of SEP: Borger Independent School District (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: July 11, 2014 through July 14, 2014

Date(s) of NOE(s): July 15, 2014

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ConocoPhillips Company
RN102495884
Docket No. 2014-1119-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 91% opacity and released 87,200 pounds ("lbs") of particulate matter, 5,000 lbs of carbon monoxide ("CO"), 29.7 lbs of nickel, and 2.3 lbs of lead from the Unit 40 Fluidized Catalytic Cracking Unit Stack, Emission Point No. ("EPN") 40P1, and 0.01 lb of hydrogen sulfide, 900 lbs of propane, 650 lbs of sulfur dioxide, 270 lbs of nitrogen oxides, and 1,300 lbs of CO from the Gas Oil Hydrodesulfurization Unit Hydrocarbon Flare, EPN 66FL12, during an emissions event (Incident No. 162503) that began on December 6, 2011 and lasted 225 hours. The event occurred when the Boiler Feed Water ("BFW") temperature dropped causing the Unit 40 Flue Gas Recirculation ("FGR") Fan to increase its rate, causing the Unit 40 Boiler to trip. Since the emissions event was not accurately reported, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions No. 1, and Federal Operating Permit ("FOP") No. O1440, Special Terms and Conditions ("STC") No. 20].
2. Failed to submit an accurate final report for Incident No. 162503. Specifically, the final report for Incident No. 162503 did not contain accurate quantities of the compounds emitted and did not identify the correct source of the emissions [30 TEX. ADMIN. CODE §§ 101.201(b)(1) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O1440, STC No. 2].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On March 2, 2012, replaced the Unit 85 Deaerator pressure controller and pressure transmitter and steam-traced the system;
- b. On May 10, 2012, added a high priority alarm set at 235 degrees Fahrenheit (°F) for the temperature of the BFW to Unit 40 Boiler's Economizer;
- c. On July 2, 2012, updated the Unit 40 Boiler Procedure to include the statement that should Unit 40 Boiler be down for an extended period when the ambient temperature is below 32 °F, the FGR Fan should be shut down until the boiler is restarted; and
- d. On August 7, 2014, developed plans to ensure that final reports for emissions events are accurately reported.

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Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (See SEP Attachment A).

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Jessica Schildwachter, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-2617; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: Peter C. Stynes, Refinery Manager, ConocoPhillips Company, P.O. Box 271, Borger, Texas 79008

Quarshie Awuah-Okyere, Environmental Director, ConocoPhillips Company, P.O. Box 271, Borger, Texas 79008

Respondent's Attorney: N/A

Attachment A
Docket Number: 2014-1119-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	ConocoPhillips Company
Penalty Amount:	Ten Thousand Eight Hundred Eighty Dollars (\$10,880)
SEP Offset Amount:	Five Thousand Four Hundred Forty Dollars (\$5,440)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Borger Independent School District
Project Name:	<i>Borger ISD Clean School Bus Replacement Program</i>
Location of SEP:	Hutchinson County; Texas Air Quality Control Region 211, Amarillo - Lubbock

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Borger Independent School District** for the *Borger ISD Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel and gasoline buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel or gasoline school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Borger Independent School District SEP** and mail the contribution with a copy of the Agreed Order to:

Borger Independent School District
200 East Ninth Street
Borger, Texas 79008-1177

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. **Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. **Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. **Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. **Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	21-Jul-2014	Screening	28-Jul-2014	EPA Due	11-Apr-2015
	PCW	23-Dec-2014				

RESPONDENT/FACILITY INFORMATION

Respondent	ConocoPhillips Company				
Reg. Ent. Ref. No.	RN102495884				
Facility/Site Region	1-Amarillo	Major/Minor Source	Major		

CASE INFORMATION

Enf./Case ID No.	49046	No. of Violations	2
Docket No.	2014-1119-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Jessica Schildwachter
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$7,750**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **100.0%** Enhancement **Subtotals 2, 3, & 7** **\$7,750**

Notes: Enhancement for one NOV with dissimilar violations, six orders with denial of liability, and three orders without denial of liability. Reduction for six Notices of Intent to conduct an audit and three disclosures of violations.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **-\$1,900**

Economic Benefit **0.0%** Enhancement* **Subtotal 6** **\$0**

Total EB Amounts \$339
Estimated Cost of Compliance \$6,500
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$13,600**

OTHER FACTORS AS JUSTICE MAY REQUIRE **0.0%** **Adjustment** **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$13,600**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$13,600**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$2,720**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY **\$10,880**

Screening Date 28-Jul-2014

Docket No. 2014-1119-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 4 (April 2014)

Case ID No. 49046

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	6	120%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	3	75%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	6	-6%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	3	-6%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 185%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with dissimilar violations, six orders with denial of liability, and three orders without denial of liability. Reduction for six Notices of Intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 185%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 28-Jul-2014

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PCW

Respondent ConocoPhillips Company

Policy Revision 4 (April 2014)

Case ID No. 49046

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions No. 1, and Federal Operating Permit ("FOP") No. O1440, Special Terms and Conditions ("STC") No. 20

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 91% opacity and released 87,200 pounds ("lbs") of particulate matter, 5,000 lbs of carbon monoxide ("CO"), 29.7 lbs of nickel, and 2.3 lbs of lead from the Unit 40 Fluidized Catalytic Cracking Unit Stack, Emission Point No. ("EPN") 40P1, and 0.01 lb of hydrogen sulfide, 900 lbs of propane, 650 lbs of sulfur dioxide, 270 lbs of nitrogen oxides, and 1,300 lbs of CO from the Gas Oil Hydrodesulfurization Unit Hydrocarbon Flare, EPN 66FL12, during an emissions event (Incident No. 162503) that began on December 6, 2011 and lasted 225 hours. The event occurred when the Boiler Feed Water ("BFW") temperature dropped causing the Unit 40 Flue Gas Recirculation Fan to increase its rate, causing the Unit 40 Boiler to trip. Since the emissions event was not accurately reported, the Respondent is precluded from asserting the affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Based on an Air Quality Analysis of the modeling provided by the Respondent, human health or the environment has been exposed to significant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 10 Number of violation days

mark only one with an x

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$1,875

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions by July 2, 2012, prior to the July 15, 2014 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$143

Violation Final Penalty Total \$13,125

This violation Final Assessed Penalty (adjusted for limits) \$13,125

Economic Benefit Worksheet

Respondent ConocoPhillips Company
Case ID No. 49046
Reg. Ent. Reference No. RN102495884
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	6-Dec-2011	2-Jul-2012	0.57	\$143	n/a	\$143

Notes for DELAYED costs

Estimated cost to replace the Unit 85 Deaerator pressure controller and pressure transmitter, add a high priority alarm for the temperature of the BFW to Unit 40 Boiler, and update the Unit 40 Boiler Procedure. The Date Required is the date the emissions event began. The Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$143

Screening Date 28-Jul-2014

Docket No. 2014-1119-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 4 (April 2014)

Case ID No. 49046

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 101.201(b)(1) and 122.143(4), Tex. Health & Safety Code § 382.085(b), and FOP No. O1440, STC No. 2

Violation Description

Failed to submit an accurate final report for Incident No. 162503. Specifically, the final report for Incident No. 162503 did not contain accurate quantities of the compounds emitted and did not identify the correct source of the emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

At least 70% of the rule requirement was met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 1

941 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended for one inaccurate report.

Good Faith Efforts to Comply

10.0%

Reduction

\$25

Extraordinary

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Ordinary

N/A

Notes

The Respondent completed corrective actions on August 7, 2014, after the July 15, 2014 NOE.

Violation Subtotal \$225

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$195

Violation Final Penalty Total \$475

This violation Final Assessed Penalty (adjusted for limits) \$475

Economic Benefit Worksheet

Respondent ConocoPhillips Company
Case ID No. 49046
Reg. Ent. Reference No. RN102495884
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$1,500	30-Dec-2011	7-Aug-2014	2.61	\$195	n/a	\$195
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to develop plans to ensure that final reports for emissions events are accurately reported. The Date Required is the date the final report was due. The Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$195



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN601674351, RN102495884, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

Customer, Respondent, or Owner/Operator: CN601674351, ConocoPhillips Company **Classification:** SATISFACTORY **Rating:** 5.66

Regulated Entity: RN102495884, BORGER REFINERY **Classification:** SATISFACTORY **Rating:** 21.39

Complexity Points: 50 **Repeat Violator:** NO

CH Group: 02 - Oil and Petroleum Refineries

Location: STATE SPUR 119 N, BORGER, TX, HUTCHINSON COUNTY

TCEQ Region: REGION 01 - AMARILLO

ID Number(s):

POLLUTION PREVENTION PLANNING ID NUMBER
P00529
WASTEWATER PERMIT WQ0001064000
AIR NEW SOURCE PERMITS PERMIT 9868A
AIR NEW SOURCE PERMITS REGISTRATION 11449A
AIR NEW SOURCE PERMITS REGISTRATION 11429A
AIR NEW SOURCE PERMITS REGISTRATION 22777
AIR NEW SOURCE PERMITS PERMIT 43073
AIR NEW SOURCE PERMITS AFS NUM 4823300015
AIR NEW SOURCE PERMITS PERMIT 71385
AIR NEW SOURCE PERMITS REGISTRATION 82659
AIR NEW SOURCE PERMITS PERMIT 85872
AIR NEW SOURCE PERMITS REGISTRATION 90208
AIR NEW SOURCE PERMITS REGISTRATION 87458
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX102M8
AIR NEW SOURCE PERMITS REGISTRATION 98518
AIR NEW SOURCE PERMITS REGISTRATION 99365
AIR NEW SOURCE PERMITS REGISTRATION 105116
AIR NEW SOURCE PERMITS REGISTRATION 99345
AIR NEW SOURCE PERMITS REGISTRATION 105233
AIR NEW SOURCE PERMITS REGISTRATION 107922
AIR NEW SOURCE PERMITS REGISTRATION 105235
AIR NEW SOURCE PERMITS REGISTRATION 107921
AIR NEW SOURCE PERMITS REGISTRATION 105237
AIR NEW SOURCE PERMITS REGISTRATION 114429
AIR NEW SOURCE PERMITS REGISTRATION 104928
AIR NEW SOURCE PERMITS REGISTRATION 105147
AIR NEW SOURCE PERMITS REGISTRATION 106066
AIR OPERATING PERMITS ACCOUNT NUMBER HW0018P
AIR OPERATING PERMITS PERMIT 2166
UNDERGROUND INJECTION CONTROL PERMIT WDW382
WASTEWATER PERMIT TXG670145

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50078

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD980626774
INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXP490351878
LEAKING PETROLEUM STORAGE TANKS REMEDIATION
ID NUMBER 95146

POLLUTION PREVENTION PLANNING ID NUMBER
P07213
WASTEWATER EPA ID TX0009148
AIR NEW SOURCE PERMITS REGISTRATION 11042A
AIR NEW SOURCE PERMITS REGISTRATION 11935A
AIR NEW SOURCE PERMITS REGISTRATION 14441A
AIR NEW SOURCE PERMITS REGISTRATION 34417
AIR NEW SOURCE PERMITS ACCOUNT NUMBER HW0018P
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX102M6
AIR NEW SOURCE PERMITS PERMIT 80799
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1158
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX102M7
AIR NEW SOURCE PERMITS REGISTRATION 90182
AIR NEW SOURCE PERMITS REGISTRATION 87158
AIR NEW SOURCE PERMITS REGISTRATION 95901
AIR NEW SOURCE PERMITS REGISTRATION 96328
AIR NEW SOURCE PERMITS REGISTRATION 100477
AIR NEW SOURCE PERMITS REGISTRATION 99373
AIR NEW SOURCE PERMITS REGISTRATION 102757
AIR NEW SOURCE PERMITS REGISTRATION 114332
AIR NEW SOURCE PERMITS REGISTRATION 118349
AIR NEW SOURCE PERMITS REGISTRATION 105145
AIR NEW SOURCE PERMITS REGISTRATION 115785
AIR NEW SOURCE PERMITS REGISTRATION 112249
AIR NEW SOURCE PERMITS REGISTRATION 114364
AIR NEW SOURCE PERMITS REGISTRATION 105234
AIR NEW SOURCE PERMITS REGISTRATION 119377
AIR NEW SOURCE PERMITS REGISTRATION 105236
AIR OPERATING PERMITS PERMIT 1440
UNDERGROUND INJECTION CONTROL PERMIT WDW380
UNDERGROUND INJECTION CONTROL PERMIT WDW325
AIR EMISSIONS INVENTORY ACCOUNT NUMBER
HW0018P
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 30111
INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST
37309
STORMWATER PERMIT TXR15WO16

LEAKING PETROLEUM STORAGE TANKS REMEDIATION
ID NUMBER 95088

LEAKING PETROLEUM STORAGE TANKS REMEDIATION
ID NUMBER 109760

Compliance History Period: September 01, 2008 to August 31, 2013 **Rating Year:** 2013 **Rating Date:** 09/01/2013

Date Compliance History Report Prepared: August 05, 2014

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 23, 2009 to July 23, 2014

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Jessica Schildwachter

Phone: (512) 239-2617

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

1 Effective Date: 11/27/2009 ADMINORDER 2009-0129-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 111, SubChapter A 111.111(a)(1)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Special Conditions 1 and 23 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on June 1, 2008, a tube failure occurred on Boiler 2.4 causing a steam system upset impacting most of the plant: the gas oil hydrosulfurizer hydrocarbons ("GOHDS HC") Flare [Emissions Point Number ("EPN") 66FL12], the Cat Flare (EPN 66FL3), Unit 40 Fluid Catalytic Cracking Unit ("FCCU") (EPN 40PI), Unit 34 Sulfur Recovery Unit ("SRU") Incinerator (EPN 34I1), and Unit 43 SRU (EPN 43I1) emitted

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 1 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on June 29, 2008, hydrocarbon contamination of the Central Still Amine Absorber caused a shut down, and the Unit 34 SRU Incinerator (EPN 34I1) emitted 464 lbs of SO₂, 175 lbs of H₂S, 2.1 lbs of NO_x, and 0.55 lb of CO over a 34 minute period. Since these emissions could have been avoided by better design and/or operational practices, the emissions are not subject to an affirmative defense

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 1 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on July 19, 2008, the Unit 34 Tail Gas Treatment Unit stripper foamed, causing a unit shut down, and the Unit 34 SRU Incinerator (EPN 34I1) emitted 716 lbs of SO₂, 7.62 lbs of H₂S, 1.53 lbs of NO_x, and 0.38 lb of CO over a 23 minute period. Since these emissions could have been avoided by better design and/or operational practices, the emissions are not subject to an affirmative defense

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 1 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on July 29, 2008, flaring occurred at the atmospheric residual desulfurization ("ARDS") Flare (EPN 66FL12) due to a pressure increase in the first stage suction scrubber in the Flash Gas Compressor in Unit 41, and the flare emitted 639 lbs of SO₂, seven lbs of H₂S, 0.86 lb of NO_x, 1.03 lbs of CO, and 3.37 lbs of VOC over a 20 minute period. Since these emissions were not timely reported

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Patton Creek area without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Area 1 (also known as North Coble) without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)

5C THSC Chapter 382 382.0518(a)

5C THSC Chapter 382 382.085(b)

Description: Failed to have authorization to operate a source of air emissions. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Area 3 without notice or authorization. Emissions data subsequently submitted by the Respondent on November 21, 2008, in connection with attempting to claim Permit by Rule authorization for the system, established that emissions were above those authorized by Permit by Rule.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Area 4 without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's HP-7 remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Jackson's Hole remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Old Canyon Dam (also known as Area 3A) without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Lot 7 remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Old Caustic Pond remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 2B PERMIT

Description: Failed to maintain instrument monitoring of the flare pilot flame. Specifically, the Non-Corrosive Flare's (EPN 66FL4) pilot flame was not monitored by instrument on the following dates: December 22, 2007, March 3, May 7, and May 8, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 2C PERMIT

Description: Failed to operate flares with no visible emissions, except for periods not to exceed a total of five minutes during any two consecutive hours. Specifically, those conditions were exceeded at the 100M Sour Water Treater Brine Flare Pit (EPN 66FL10) on March 13, 2008, at the ARDS Emergency Sulfur Flare (EPN 66FL13) on May 23, 2008, and at the Natural Gas Liquids Non-Corrosive Flare (EPN 66FL4) on March 7 and June 16, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 10 PERMIT

Description: Failed to operate the SRU Tail Gas Incinerator with no visible emissions, except for uncombined steam. Specifically, visible emissions were observed from the Unit 43 incinerator stack on January 11 and April 2, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 11 PERMIT

Description: Failed to operate the SRU thermal reactor at all times with a stable flame and to maintain the flame temperature at not less than 2,000 degrees Fahrenheit. Specifically, the SRU Unit 43 A's Thermal Reactor did not maintain the required flame and temperature on November 12, 2007.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 14 PERMIT

Description: Failed to maintain the SRU 43 sulfur pit connected to a vapor collection system which routes the recovered vapors back into the process. Specifically, the SRU Unit 43 vapor collection system was not operational on January 2 and April 9, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 28 PERMIT

Description: Failed to limit the fuel gas used to fire all of the Plant's heaters, boilers, and TGIs to a short term H₂S concentration of no more than 162 parts per million volume. Specifically, the fuel gas exceeded that concentration on August 9, 2007 and March 9, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 41 PERMIT

Description: Failed to limit NO_x emissions from an engine. Specifically, Engine 47 in Unit 12 (EPN 12E7), a White Superior engine, failed the NO_x emissions limit of 2.0 grams per horse-power hour during a stack test on October 2, 2007.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 55 PERMIT

Description: Failed to ensure that a minimum coke moisture content of six percent by weight was maintained during coke handling and storage operations. Specifically, 60 samples taken between December 3, 2007 and December 23, 2008 showed moisture content between 0.7 and 5.95%.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC59B PERMIT

Description: Failed to take samples and perform moisture analyses of coke piles. Specifically, the Respondent failed to do the sampling and analyses on the following dates: November 27, December 13, December 21, December 23, December 27, 2007, January 30, February 4, April 21, and April 26, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.102(a)(1)
5C THSC Chapter 382 382.085(b)

Description: Failed to limit PM emissions from the Unit 29 FCCU catalyst regenerator to no more than 1.0 kilograms per megagram (2.0 lb/ton). Specifically, a test conducted on December 6, 2007 showed that limit was exceeded.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 111, SubChapter A 111.111(a)(1)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 1 PERMIT

SC 23 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on January 17, 2009, contaminated amine caused a temperature excursion and shut-down of the SRU 34 Feed Heater due to faulty level transmitters and the design of the level gauges, which made it difficult for plant operations to see the actual level of the absorbers. This condition, in turn, resulted in the following unauthorized emissions from the SRU incinerator (EPN 34I1):

...

2 Effective Date: 12/18/2009 ADMINORDER 2009-1156-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:No. 9868A and PSD-TX-10M7, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Flex Permit 9868A and PSD-TX-102, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions.

3 Effective Date: 09/26/2010 ADMINORDER 2010-0178-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:PSDTX102M7, Special Condition (SC) No.1 PERMIT

Description: Failure to prevent unauthorized emissions from the GOHDS flare on August 17, 2009.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Special Provision No. 18 OP

Description: Failed to submit a complete deviation report no later than 30 days after the end of the reporting period.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.1090
40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6640(a)
5C THSC Chapter 382 382.085(b)

Description: Failure to maintain Unit 12, Engine 42's catalyst on March 27, 2009 so that the pressure drop across the catalyst does not exceed the limits established during the performance test.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.106(j)(1)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Special Terms and Conditions No. 1.A. OP

Description: Failure to collect one fresh feed sulfur sample once per eight-hour period.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(a)
5C THSC Chapter 382 382.085(b)

Description: Failure to submit the initial required benzene reports within 90 days of startup for the following units, which were started in June 2007: Unit 50 (Coker), Unit 51 (Vacuum), and Unit 19.3 (Hydrogen).

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)
5C THSC Chapter 382 382.085(b)

Description: Failure to submit a complete final report for emissions event No. 124305 which occurred on May 15, 2009.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:PSDTX102M7, SC No.1 PERMIT

Description: Failure to prevent unauthorized emissions from the Unit 34 incinerator stack on November 10, 2009.

- 4 Effective Date: 11/15/2010 ADMINORDER 2010-0675-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov:Flexible Permit 9868A, SC 1 PERMIT
Description: Failed to prevent unauthorized emissions. Since this event could have been avoided by better maintenance procedures for air cooler belts, the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222 were not met.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov:Flexible Permit 9868A, SC 1 PERMIT
Description: Failed to prevent unauthorized emissions. Since this event could have been avoided by either protecting the current power source, or ensuring backup power, the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222 were not met.
- 5 Effective Date: 05/08/2011 ADMINORDER 2010-1795-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Major
Citation: 30 TAC Chapter 122, SubChapter C 122.221(a)
5C THSC Chapter 382 382.0541(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov:O-01440 OP
Description: Failed to obtain significant revision of the Borger Refinery's federal operating permit, prior to the issuance of the revised federal operating permit in violation of 30 Tex. Admin. Code Ch. 122.221(a) and Tex. Health & Safety Code Ch. 382.0541(a)(1). Specifically, the respondent failed to obtain admendments associated with the modification to the Borger Refinery called the "Gasoline Benzene Reduction Project".
- 6 Effective Date: 11/03/2011 ADMINORDER 2011-0326-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov:9868A and PSDTX102M7, SC 1 PERMIT
Description: Failed to prevent unauthorized emissions.
Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter F 116.615(4)
5C THSC Chapter 382 382.085(b)

Description: Failed to submit notification for the start of construction and completion of construction within 15 days of occurrence of the event.

Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter F 116.615(5)
5C THSC Chapter 382 382.085(b)

Description: Failed to submit notification prior to the commencement of operation.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.1090
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6640(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:FOP 01440, General Terms and Conditions OP

Description: Failed to maintain the temperature of the stationary reciprocating internal combustion engine exhaust so the catalyst inlet temperature is greater than or equal to 750°F.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(2)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:9868A and PSDTX102M7, SC 2.B. PERMIT
FOP 01440, ST&C 17.A. OP

Description: Failed to monitor the pilot flame with a thermocouple, an infrared monitor, or equivalent device.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:9868A and PSDTX102M7, SC 27 PERMIT
FOP 01440, ST&C 17.A. OP

Description: Failed to maintain the H2S concentration in the fuel gas used to fire all heaters, boilers, and tail gas incinerators below 162 ppmv.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.650(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT Q 63.427(a)(3)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:FOP 01440, General Terms and Conditions OP

Description: Failed to operate and maintain a continuous monitoring system capable of measuring the temperature of the thermal oxidizer.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:9868A and TSDTX102M7, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions.

7

Effective Date: 02/18/2012 ADMINORDER 2011-1328-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Flexible Permit No. 9868A and PSDTX102M7 PERMIT

Description: The facility failed to prevent unauthorized emissions during the incident No. 152189 by failing to meet the affirmative defense criteria (b)(2) and (b)(3) of the provisions of 30 TAC Chapter 101, §101.222(b). This facility is in violation of the provisions of 30 TAC Chapter 116, §116.715(a) and §382.085(b).

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Flexible Permit No. 9868A and PSDTX102M7 PERMIT

Description: The facility failed to prevent unauthorized emissions during the incident No. 152427 by failing to meet the affirmative defense criteria (b)(2) and (b)(3) of the provisions of 30 TAC Chapter 101, §101.222(b). This facility is in violation of the provisions of 30 TAC Chapter 116, §116.715(a) and §382.085(b).

8 Effective Date: 06/08/2012 ADMINORDER 2011-1680-IHW-E (1660 Order-Agreed Order With Denial)

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter A 335.2(b)

40 CFR Chapter 270, SubChapter I, PT 270, SubPT A 270.1(c)

Rqmt Prov:IV.B.1 PERMIT

Description: Failed to prevent the disposal of an unauthorized hazardous waste into a permitted waste management unit. Specifically, the Respondent disposed of 180 barrels of spent caustic waste (Hazardous Waste Code 2908019H) on July 10, 2011 into a permitted surface impoundment (Permitted Unit No. 2, Notice of Registration Waste Management Unit No. 032) which is a unit not authorized to receive this waste.

9 Effective Date: 11/16/2013 ADMINORDER 2013-0904-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC No. 1 PA

Description: Failed to prevent unauthorized emissions during the incident No. 177546 on December 30, 2012. Specifically, the incident failed the affirmative defense criteria of 30 TAC Chapter 101, §101.222(b)(2) and §101.222(b)(3).

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	September 21, 2009	(805230)
Item 2	September 30, 2009	(776673)
Item 3	October 21, 2009	(805232)
Item 4	November 25, 2009	(805235)
Item 5	December 21, 2009	(786080)
Item 6	March 18, 2010	(831088)
Item 7	March 29, 2010	(797217)
Item 8	April 16, 2010	(831089)
Item 9	April 29, 2010	(800142)
Item 10	May 19, 2010	(803083)
Item 11	June 17, 2010	(846333)
Item 12	July 20, 2010	(860924)
Item 13	July 21, 2010	(863285)
Item 14	July 23, 2010	(842679)
Item 15	August 10, 2010	(843540)
Item 16	August 18, 2010	(866903)
Item 17	August 23, 2010	(869782)
Item 18	September 17, 2010	(873974)
Item 19	September 20, 2010	(876720)
Item 20	October 20, 2010	(881569)
Item 21	October 21, 2010	(884246)
Item 22	October 31, 2010	(890615)
Item 23	November 17, 2010	(888087)
Item 24	December 01, 2010	(879347)
Item 25	December 15, 2010	(899000)
Item 26	December 20, 2010	(896313)
Item 27	December 31, 2010	(904867)
Item 28	January 05, 2011	(886112)
Item 29	January 10, 2011	(886730)
Item 30	January 20, 2011	(902371)

Item 31	February 01, 2011	(890887)
Item 32	February 03, 2011	(892932)
Item 33	February 22, 2011	(911813)
Item 34	March 14, 2011	(919092)
Item 35	March 18, 2011	(864531)
Item 36	April 07, 2011	(932364)
Item 37	April 20, 2011	(924940)
Item 38	May 16, 2011	(940793)
Item 39	May 20, 2011	(938094)
Item 40	June 16, 2011	(945466)
Item 41	July 11, 2011	(937169)
Item 42	July 14, 2011	(937214)
Item 43	July 20, 2011	(952690)
Item 44	July 21, 2011	(937524)
Item 45	August 10, 2011	(942876)
Item 46	August 17, 2011	(959376)
Item 47	September 16, 2011	(965407)
Item 48	October 06, 2011	(957987)
Item 49	October 11, 2011	(962081)
Item 50	October 18, 2011	(971448)
Item 51	November 17, 2011	(977606)
Item 52	November 22, 2011	(969323)
Item 53	December 16, 2011	(984372)
Item 54	January 16, 2012	(990671)
Item 55	January 23, 2012	(981085)
Item 56	March 12, 2012	(1003560)
Item 57	May 21, 2012	(1016516)
Item 58	June 19, 2012	(1024239)
Item 59	July 19, 2012	(1031631)
Item 60	August 17, 2012	(1038007)
Item 61	September 20, 2012	(1046745)
Item 62	October 19, 2012	(1061093)
Item 63	November 20, 2012	(1061094)
Item 64	December 19, 2012	(1061095)
Item 65	March 15, 2013	(1073715)
Item 66	March 20, 2013	(1089374)
Item 67	April 19, 2013	(1095765)
Item 68	May 20, 2013	(1106692)
Item 69	May 24, 2013	(1109558)
Item 70	June 17, 2013	(1095137)
Item 71	June 20, 2013	(1110366)
Item 72	July 12, 2013	(1117251)
Item 73	August 20, 2013	(1125009)
Item 74	September 20, 2013	(1129606)
Item 75	October 18, 2013	(1135338)
Item 76	November 20, 2013	(1140738)
Item 77	December 19, 2013	(1147195)
Item 78	January 20, 2014	(1153264)
Item 79	February 20, 2014	(1160599)
Item 80	March 20, 2014	(1167244)
Item 81	April 03, 2014	(1158956)
Item 82	April 17, 2014	(1174377)
Item 83	May 20, 2014	(1180564)
Item 84	June 12, 2014	(1172297)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 Date: 08/20/2013 (1113601) CN601674351

Self Report? NO

Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
2D TWC Chapter 26, SubChapter A 26.121(a)(1)
2D TWC Chapter 26, SubChapter A 26.121(a)(3)
2D TWC Chapter 26, SubChapter A 26.121(b)
2D TWC Chapter 26, SubChapter A 26.121(c)
2D TWC Chapter 26, SubChapter A 26.121(d)
2D TWC Chapter 26, SubChapter A 26.121(e)
30 TAC Chapter 305, SubChapter F 305.125(4)

30 TAC Chapter 305, SubChapter F 305.125(5)
TWC Chapter 26 26.121
TWC Chapter 26 26.121(a)(2)

Description: Failure to prevent unauthorized discharges.

F. Environmental audits:

Disclosure Date: 12/18/2009

Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.10

Description: Failure to accurately report remediation fugitives from Emissions Inventory for reporting years 2005 to 2007.

Notice of Intent Date: 04/05/2010 (826787)

No DOV Associated

Notice of Intent Date: 10/19/2010 (877218)

No DOV Associated

Notice of Intent Date: 02/14/2011 (901451)

No DOV Associated

Notice of Intent Date: 07/10/2012 (1022848)

Disclosure Date: 03/28/2013

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)

Description: Failed to monitor 223 valves that were not included in the LDAR inventory.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(h)(1)

Description: Failed to correctly classify a valve, as it was incorrectly classified as difficult to monitor.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(g)(2)

Description: Failure to have a monitoring plan for UTM's and failed to keep records regarding monitoring of UTM's

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Description: Six open ended lines were observed in the field.

Viol. Classification: Minor

Citation: 40 CFR Part 60, Subpart VV 60.482-8

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(a)(1)

Description: Failed to perform AVO Method 21 follow-up inspections on 3 occasions.

Viol. Classification: Minor

Citation: 40 CFR Part 60, Subpart VV 60.482-9

Description: Failed to appropriately classify Valve No. 42256 and 73 pumps as they were classified as difficult to repair. Spare pumps were available.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)

Description: There were 5 occasions where a component was moved to quarterly monitoring without having completed 2 consecutive months of monitoring.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1

40 CFR Part 60, Subpart VV 60.482-7

Description: Failed to inspect/monitor 98 valves.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)

Description: Failed to include information related to late repairs performed during the relevant reporting periods on the

July 31, 2011 and January 31, 2012 semiannual VV reports.

Notice of Intent Date: 07/11/2013 (1104174)

Disclosure Date: 12/23/2013

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-10

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(g)(1)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(g)(2)

Description: Failed to repair a PRV (LDAR #93-N704 in U40) that was identified as leaking as it was not repaired in 5 days that was due on 12/1/13, and it was also not repaired in 15 days that was due on 12/11/13. This was due to a database error.

Notice of Intent Date: 05/30/2014 (1173714)

No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CONOCOPHILLIPS COMPANY
RN102495884**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2014-1119-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding ConocoPhillips Company ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a petroleum refinery located at State Spur 119 North in Borger, Hutchinson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 20, 2014.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand Six Hundred Dollars (\$13,600) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Four Hundred Forty Dollars (\$5,440) of the administrative penalty and Two Thousand Seven Hundred

Twenty Dollars (\$2,720) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Five Thousand Four Hundred Forty Dollars (\$5,440) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On March 2, 2012, replaced the Unit 85 Deaerator pressure controller and pressure transmitter and steam-traced the system;
 - b. On May 10, 2012, added a high priority alarm set at 235 degrees Fahrenheit (°F) for the temperature of the Boiler Feed Water ("BFW") to Unit 40 Boiler's Economizer;
 - c. On July 2, 2012, updated the Unit 40 Boiler Procedure to include the statement that should Unit 40 Boiler be down for an extended period when the ambient temperature is below 32 °F, the Flue Gas Recirculation ("FGR") Fan should be shut down until the boiler is restarted; and
 - d. On August 7, 2014, developed plans to ensure that final reports for emissions events are accurately reported.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions No. 1, and Federal Operating Permit ("FOP") No. O1440, Special Terms and Conditions ("STC") No. 20, as documented during a record review conducted from July 11, 2014 through July 14, 2014. Specifically, the Respondent experienced 91% opacity and released 87,200 pounds ("lbs") of particulate matter, 5,000 lbs of carbon monoxide ("CO"), 29.7 lbs of nickel, and 2.3 lbs of lead from the Unit 40 Fluidized Catalytic Cracking Unit Stack, Emission Point No. ("EPN") 40P1, and 0.01 lb of hydrogen sulfide, 900 lbs of propane, 650 lbs of sulfur dioxide, 270 lbs of nitrogen oxides, and 1,300 lbs of CO from the Gas Oil Hydrodesulfurization Unit Hydrocarbon Flare, EPN 66FL12, during an emissions event (Incident No. 162503) that began on December 6, 2011 and lasted 225 hours. The event occurred when the BFW temperature dropped causing the Unit 40 FGR Fan to increase its rate, causing the Unit 40 Boiler to trip. Since the emissions event was not accurately reported, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
2. Failed to submit an accurate final report for Incident No. 162503, in violation of 30 TEX. ADMIN. CODE §§ 101.201(b)(1) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O1440, STC No. 2, as documented during a record review conducted from July 11, 2014 through July 14, 2014. Specifically, the final report for Incident No. 162503 did not contain accurate quantities of the compounds emitted and did not identify the correct source of the emissions.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: ConocoPhillips Company, Docket No. 2014-1119-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Five Thousand Four Hundred Forty Dollars (\$5,440) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and

accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Pamela J. [Signature]
For the Executive Director

5/4/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Peter C. Stynes
Signature

01/08/15
Date

Peter C. Stynes
Name (Printed or typed)
Authorized Representative of
ConocoPhillips Company

Refinery Manager
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2014-1119-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	ConocoPhillips Company
Penalty Amount:	Ten Thousand Eight Hundred Eighty Dollars (\$10,880)
SEP Offset Amount:	Five Thousand Four Hundred Forty Dollars (\$5,440)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Borger Independent School District
Project Name:	<i>Borger ISD Clean School Bus Replacement Program</i>
Location of SEP:	Hutchinson County; Texas Air Quality Control Region 211, Amarillo - Lubbock

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Borger Independent School District** for the *Borger ISD Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel and gasoline buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel or gasoline school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Borger Independent School District SEP** and mail the contribution with a copy of the Agreed Order to:

Borger Independent School District
200 East Ninth Street
Borger, Texas 79008-1177

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.